

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **November 14, 2016**
FROM: **General Manager, Engineering** FILE: **0930-30/147**
SUBJECT: **Proposed Lease Agreement with Uncle Fatih's Pizza Ltd.**

RECOMMENDATION

The Engineering Department recommends that Council approve the execution by the appropriate City officials of a lease agreement with Uncle Fatih's Pizza Ltd. ("Uncle Fatih's") to occupy the City-owned building at Unit 111/113 – 10277 City Parkway (the "Premises") as generally illustrated in Appendix "I" attached to this report subject to compliance with the notice provisions under Sections 26 and 94 of the *Community Charter, SBC, 2003, Chap. 26*.

BACKGROUND

In 1994, the City constructed 2,860 ft.² of retail space directly under the Surrey Central SkyTrain Station. This space was divided into 4 smaller units of roughly 340 ft.² each, and one larger unit of 1,508 ft.². The City currently leases the four smaller units out as follows:

- Unit 101 Uncle Fatih's Pizza
- Unit 103/105 SkyStop Convenience Store
- Unit 107 Bistro Panini

Since 1994, the larger 1,508 ft.² unit has been occupied by the RCMP, Parks, Recreation & Culture and more recently City Bylaw staff. In July 2016, Bylaw staff relocated to City Hall freeing up the Premises for market rental.

DISCUSSION

During August and September 2016, the City marketed the Premises for lease and received a total of 10 offers. The highest and most suitable offer was submitted by Uncle Fatih's. Uncle Fatih's currently leases out one of the smaller units; however, this unit has proven to be too small for their operation. Uncle Fatih's intention is to relocate their current pizza operation at Unit 101 to the Premises and then sublet their current unit to a suitable tenant.

SUSTAINABILITY CONSIDERATIONS

This lease supports the objectives of the City's Sustainability Charter. In particular, the proposed lease of the Premises relates to the Sustainability Charter theme Economic Prosperity and Livelihoods. Specifically, this project supports the following Desired Outcomes:

- Jobs and Skills Training DO₃: Job creation and entrepreneurship development are widely fostered;
- Economy DO₅: Locally owned companies are thriving, creating a robust local economy and retaining wealth and jobs in the community; and
- Economy DO₁₁: Food production and food enterprises of all scales are an integral part of the local economy.

CONCLUSION

Based on the above discussion, it is recommended that Council approve the execution by the appropriate City officials of a lease agreement, as generally described in this report, with Uncle Fatih's Pizza Ltd. that will allow Uncle Fatih's to lease the Premises located at Unit 111/113 – 10277 City Parkway.

Fraser Smith, P.Eng., MBA
General Manager, Engineering

KW/amg/clr

Appendix "I" – Aerial Photograph of Site

AERIAL PHOTOGRAPH OF SITE

APPENDIX "I"



SUBJECT PROPERTY
Lease of Unit 111/113 – 10277 City Parkway

**ENGINEERING
DEPARTMENT**

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey. This information is provided for information and convenience purposes only.

Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office. \\file-server2\eng\ENFILES\MAPPING\GIS\Maps\CorporateReps\Reality\Lease for portion of 10277 City Parkway_AP.mxd

Source: